

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

In the Matter of:	:	Misc. No.	02-65
	:	Civil Action Nos.	02-3277
	:		02-1643
RELIANCE GROUP HOLDINGS, INC.	:		02-1733
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	:		
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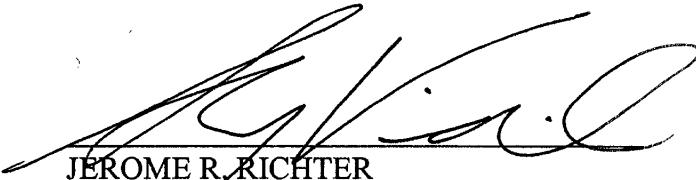
**MOTION OF APPELLANT M. DIANE KOKEN, INSURANCE COMMISSIONER OF
THE COMMONWEALTH OF PENNSYLVANIA, IN HER OFFICIAL CAPACITY AS
STATUTORY LIQUIDATOR OF RELIANCE INSURANCE COMPANY, TO
EFFECTUATE SETTLEMENT AGREEMENT**

Appellant M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania, in her official capacity as Statutory Liquidator of Reliance Insurance Company, hereby moves for an Order to have the Court: (1) restore and reinstate the above-captioned matter to the Court's active docket for the purpose of effecting certain terms of a settlement agreement approved by the U.S. Bankruptcy Court for the Southern District of New York and Commonwealth Court of Pennsylvania; (2) dismiss with prejudice the Constructive Trust Action (Adversary Proceeding 01-558); and (3) remand the Emergency Petition (Adversary Proceeding 01-559) to the Commonwealth Court of Pennsylvania.

Appellant relies upon the enclosed brief with exhibits and proposed form of Order in support of her motion. Pursuant to a certain settlement agreement and a certain written consent, attached as exhibits to the enclosed brief, all parties to this litigation have consented to the relief sought in this motion.

Respectfully submitted,

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Dated: March 1, 2004

Attorneys for Appellant,
M. Diane Koken, Insurance Commissioner
of Pennsylvania, in her official capacity as
Liquidator of Reliance Insurance Company